

Psychiatric Hospitalization

Analyst: Holland-Smith

Historical Summary

OPERATING BUDGET	FY 2005 Total App	FY 2005 Actual	FY 2006 Approp	FY 2007 Request	FY 2007 Gov Rec
BY PROGRAM					
Community Hospitalization	0	0	1,152,000	2,782,900	3,108,400
State Hospital North	6,114,700	6,120,400	6,253,800	7,629,600	6,265,700
State Hospital South	17,045,200	17,417,100	16,887,000	18,485,200	17,774,900
Total:	23,159,900	23,537,500	24,292,800	28,897,700	27,149,000
BY FUND CATEGORY					
General	14,268,800	14,669,800	13,099,200	20,823,500	18,780,800
Dedicated	4,452,300	5,157,600	7,233,100	4,024,900	4,335,600
Federal	4,438,800	3,710,100	3,960,500	4,049,300	4,032,600
Total:	23,159,900	23,537,500	24,292,800	28,897,700	27,149,000
Percent Change:		1.6%	3.2%	19.0%	11.8%
BY OBJECT OF EXPENDITURE					
Personnel Costs	18,618,500	19,131,500	18,624,600	21,189,600	19,366,400
Operating Expenditures	4,227,300	4,067,000	4,207,100	4,441,400	4,315,800
Capital Outlay	17,300	64,800	0	157,400	38,200
Trustee/Benefit	296,800	274,200	1,461,100	3,109,300	3,428,600
Total:	23,159,900	23,537,500	24,292,800	28,897,700	27,149,000
Full-Time Positions (FTP)	348.61	347.61	348.61	369.11	348.61

Division Description

Funding for Community Hospitalization was transferred from Community Mental Health into a separate program beginning in FY 2006. These funds are used to pay for patient care once an individual has been committed to state custody and before a bed is available in one of the two state institutions.

Both State Hospital South (SHS) in Blackfoot, and State Hospital North (SHN) in Orofino provide short and long term 24-hour residential care and treatment for persons who are not able to remain safely in the community setting. State Hospital South has 110 psychiatric treatment beds on three separate units, and a 26-bed nursing home facility is in a separate multi-story building on the campus. State Hospital North has a capacity of 50 beds.

Community Hospitalization

Analyst: Holland-Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2006 Original Appropriation	0.00	1,152,000	1,152,000	0.00	1,152,000	1,152,000
1. Additional Hospital Stays	0.00	1,989,700	1,989,700	0.00	1,989,700	1,989,700
FY 2006 Total Appropriation	0.00	3,141,700	3,141,700	0.00	3,141,700	3,141,700
Removal of One-Time Expenditures	0.00	(750,600)	(750,600)	0.00	(750,600)	(750,600)
FY 2007 Base	0.00	2,391,100	2,391,100	0.00	2,391,100	2,391,100
Inflationary Adjustments	0.00	86,100	86,100	0.00	86,100	86,100
Community Hospitalization Inflation	0.00	631,200	631,200	0.00	631,200	631,200
FY 2007 Program Maintenance	0.00	3,108,400	3,108,400	0.00	3,108,400	3,108,400
2. Increase Bed Capacity at SHN	0.00	(325,500)	(325,500)	0.00	0	0
FY 2007 Total	0.00	2,782,900	2,782,900	0.00	3,108,400	3,108,400
Change from Original Appropriation	0.00	1,630,900	1,630,900	0.00	1,956,400	1,956,400
% Change from Original Appropriation		141.6%	141.6%		169.8%	169.8%

Community Hospitalization

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2006 Original Appropriation	0.00	1,152,000	0	0	1,152,000

1. Additional Hospital Stays

People with a mental illness who are a danger to themselves or the community are often committed to the state for treatment by the courts. Once this commitment is made the state is responsible for providing psychiatric hospitalization in a state facility or paying for these services in the private sector. The number of commitments and expenses for private care has risen dramatically over the last three years. In FY 2003 the department paid \$782,000 for 374 patients in state custody, and in FY 2004 paid \$1,539,700 for 414 patients. In FY 2005 the department paid \$1,628,700 on behalf of 633 patients and had outstanding bills at the end of the year of \$750,600. This request is for \$1,239,100 for the expected increased costs in FY 2006, and \$750,600 for the outstanding bills from FY 2005.

Agency Request	0.00	1,989,700	0	0	1,989,700
Governor's Recommendation	0.00	1,989,700	0	0	1,989,700

FY 2006 Total Appropriation					
Agency Request	0.00	3,141,700	0	0	3,141,700
Governor's Recommendation	0.00	3,141,700	0	0	3,141,700

Removal of One-Time Expenditures

Removes funding for one-time items.

Agency Request	0.00	(750,600)	0	0	(750,600)
Governor's Recommendation	0.00	(750,600)	0	0	(750,600)

FY 2007 Base					
Agency Request	0.00	2,391,100	0	0	2,391,100
Governor's Recommendation	0.00	2,391,100	0	0	2,391,100

Inflationary Adjustments

Includes a medical inflationary increase of 3.6% in trustee/benefit payments.

Agency Request	0.00	86,100	0	0	86,100
Governor's Recommendation	0.00	86,100	0	0	86,100

Community Hospitalization Inflation

The department is estimating that the population will increase by 30% in FY 2007 over FY 2006. The population is estimated to increase from 823 to 1,070 in FY 2007. The average cost per additional placement is \$2,555.

Agency Request	0.00	631,200	0	0	631,200
Governor's Recommendation	0.00	631,200	0	0	631,200

FY 2007 Program Maintenance					
Agency Request	0.00	3,108,400	0	0	3,108,400
Governor's Recommendation	0.00	3,108,400	0	0	3,108,400

2. Increase Bed Capacity at SHN

The department is estimating that it could save these funds if five additional beds become available at State Hospital North in FY 2007. The estimated savings in subsequent years is \$434,000.

Agency Request	0.00	(325,500)	0	0	(325,500)
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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Community Hospitalization

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2007 Total					
Agency Request	0.00	2,782,900	0	0	2,782,900
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>3,108,400</i>	<i>0</i>	<i>0</i>	<i>3,108,400</i>
Agency Request					
Change from Original App	0.00	1,630,900	0	0	1,630,900
% Change from Original App		141.6%			141.6%
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>1,956,400</i>	<i>0</i>	<i>0</i>	<i>1,956,400</i>
<i>% Change from Original App</i>		<i>169.8%</i>			<i>169.8%</i>

State Hospital North

Analyst: Holland-Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2006 Original Appropriation	89.39	5,224,300	6,253,800	89.39	5,224,300	6,253,800
HB 395	0.00	42,900	42,900	0.00	42,900	42,900
Omnibus CEC Supplemental	0.00	0	0	0.00	47,500	47,500
FY 2006 Total Appropriation	89.39	5,267,200	6,296,700	89.39	5,314,700	6,344,200
Non-Cognizable Funds and Transfers	0.00	0	6,900	0.00	0	6,900
Reappropriation Transfer Between Prgms	0.00	322,000	322,000	0.00	0	322,000
FY 2006 Estimated Expenditures	89.39	5,589,200	6,625,600	89.39	5,314,700	6,673,100
Removal of One-Time Expenditures	0.00	(414,900)	(580,300)	0.00	(92,900)	(580,300)
Reverse Endowment Shift	0.00	(704,400)	0	0.00	(704,400)	0
FY 2007 Base	89.39	4,469,900	6,045,300	89.39	4,517,400	6,092,800
Benefit Costs	0.00	74,900	74,900	0.00	22,300	22,300
Insurance Premium Benefit	0.00	0	0	0.00	(139,900)	(139,900)
Medical Inflation	0.00	42,600	43,600	0.00	42,600	43,600
Computer Replacement	0.00	9,500	9,500	0.00	0	9,500
CEC - Permanent Positions	0.00	39,100	39,100	0.00	72,100	72,100
CEC - Group Positions	0.00	2,000	2,000	0.00	3,700	3,700
Alteration & Repair Projects Under \$30k	0.00	134,300	134,300	0.00	0	134,300
Utility Inflation	0.00	27,300	27,300	0.00	27,300	27,300
FY 2007 Program Maintenance	89.39	4,799,600	6,376,000	89.39	4,545,500	6,265,700
1. Market Pay Rate Adjustment	0.00	236,500	236,500	0.00	0	0
2. Add Beds at State Hospital North	20.00	1,017,100	1,017,100	0.00	0	0
4. Endowment Fund Shift	0.00	74,700	0	0.00	74,700	0
FY 2007 Total	109.39	6,127,900	7,629,600	89.39	4,620,200	6,265,700
Change from Original Appropriation	20.00	903,600	1,375,800	0.00	(604,100)	11,900
% Change from Original Appropriation		17.3%	22.0%		(11.6%)	0.2%

State Hospital North

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2006 Original Appropriation					
	89.39	5,224,300	1,029,500	0	6,253,800
HB 395					
Reflects a one-time 1% Change in Employee Compensation (CEC) increase.					
Agency Request	0.00	42,900	0	0	42,900
Governor's Recommendation	0.00	42,900	0	0	42,900
Omnibus CEC Supplemental					
Agency Request	0.00	0	0	0	0
<i>The Governor's FY 2007 recommendation is a 3% ongoing increase in employee compensation (CEC), based on merit, to commence in FY 2006 with the January 29 pay period. This will allow agencies to fund employee compensation increases for ten pay periods prior to the end of the current fiscal year. Funding for the remaining 16 pay periods is provided in the FY 2007 CEC.</i>					
Governor's Recommendation	0.00	47,500	0	0	47,500
FY 2006 Total Appropriation					
Agency Request	89.39	5,267,200	1,029,500	0	6,296,700
Governor's Recommendation	89.39	5,314,700	1,029,500	0	6,344,200
Non-Cognizable Funds and Transfers					
The department reports it has additional funds for operating expenditures and is requesting approval by the Division of Financial Management through the non-cognizable spending authorization process.					
Agency Request	0.00	0	0	6,900	6,900
Governor's Recommendation	0.00	0	0	6,900	6,900
Reappropriation Transfer Between Prgms					
This decision unit transfers \$72,000 into personnel costs, \$230,000 into operating expenditures, and \$20,000 into capital outlay from other programs. The department is reallocating the one-time funds they have the authority to spend under reappropriations amongst all of their programs.					
Agency Request	0.00	322,000	0	0	322,000
<i>The Governor's recommendation reflects the General Fund portion of the reappropriation from the Cooperative Welfare Fund as dedicated funds.</i>					
Governor's Recommendation	0.00	0	322,000	0	322,000
FY 2006 Estimated Expenditures					
Agency Request	89.39	5,589,200	1,029,500	6,900	6,625,600
Governor's Recommendation	89.39	5,314,700	1,351,500	6,900	6,673,100
Removal of One-Time Expenditures					
Removes funding provided for HB395, the 27th pay period, reappropriations, and other one-time items.					
Agency Request	0.00	(414,900)	(158,500)	(6,900)	(580,300)
Governor's Recommendation	0.00	(92,900)	(480,500)	(6,900)	(580,300)
Reverse Endowment Shift					
Reflects a shift from the General Fund to the State Hospital North Endowment Fund as part of the endowment fund fix for fiscal year 2007.					
Agency Request	0.00	(704,400)	704,400	0	0
Governor's Recommendation	0.00	(704,400)	704,400	0	0
FY 2007 Base					
Agency Request	89.39	4,469,900	1,575,400	0	6,045,300
Governor's Recommendation	89.39	4,517,400	1,575,400	0	6,092,800

State Hospital North

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Benefit Costs					
Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 6.1% or \$436 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates.					
Agency Request	0.00	74,900	0	0	74,900
<i>Removes the PERSI rate increase and changes benefit costs to reflect a 3.5% or \$250 per FTP increase in health insurance costs.</i>					
Governor's Recommendation	0.00	22,300	0	0	22,300
Insurance Premium Benefit					
Agency Request	0.00	0	0	0	0
<i>The change in health insurance providers, from Blue Shield to Blue Cross, has created a one-time opportunity to use unexpended reserves from the previous contract. This decision unit provides for a health insurance premium reduction equal to two month's premiums for both the employer and employee. Finally, a life insurance holiday is included equal to seven month's premium for the employer's share only.</i>					
Governor's Recommendation	0.00	(139,900)	0	0	(139,900)
Medical Inflation					
Includes a medical inflationary increase of 3.6% in operating expenditures and trustee/benefit payments.					
Agency Request	0.00	42,600	1,000	0	43,600
Governor's Recommendation	0.00	42,600	1,000	0	43,600
Computer Replacement					
Replace 17 personal computers on a three-year cycle @ \$560 each.					
Agency Request	0.00	9,500	0	0	9,500
<i>The Governor recommends using Economic Recovery Reserve Funds.</i>					
Governor's Recommendation	0.00	0	9,500	0	9,500
CEC - Permanent Positions					
Calculated cost of a 1% salary increase for permanent positions.					
Agency Request	0.00	39,100	0	0	39,100
<i>Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.</i>					
Governor's Recommendation	0.00	72,100	0	0	72,100
CEC - Group Positions					
Calculated cost of a 1% salary increase for group positions.					
Agency Request	0.00	2,000	0	0	2,000
<i>Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.</i>					
Governor's Recommendation	0.00	3,700	0	0	3,700

State Hospital North

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Alteration & Repair Projects Under \$30k

The department is requesting funding for alteration and repair projects that cost less than \$30,000 each. The projects are: renovate housing interiors - \$28,000, seal coat roads and parking lots - \$17,500, ADA compliant door operators to front entrance - \$3,800, replace carpet - \$25,000, repair/replace sidewalks - \$20,000, add window to meeting room - \$4,000, repair/improve sprinkler system - \$11,000, replace sagging drop ceilings and repair cracked walls - \$10,000, funds to plan a multi-purpose complex to include a maintenance shop, motor supply and pool area, and central training center - \$15,000.

Agency Request	0.00	134,300	0	0	134,300
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The Governor recommends using Economic Recovery Reserve Funds.

Governor's Recommendation	0.00	0	134,300	0	134,300
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Utility Inflation

The department is estimating it will need additional funds for utility costs.

Agency Request	0.00	27,300	0	0	27,300
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Governor's Recommendation	0.00	27,300	0	0	27,300
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FY 2007 Program Maintenance

Agency Request	89.39	4,799,600	1,576,400	0	6,376,000
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Governor's Recommendation	89.39	4,545,500	1,720,200	0	6,265,700
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1. Market Pay Rate Adjustment

The department is requesting funding to address pay inequity issues that are leading to high turnover rates in key service delivery positions, specifically registered nurses, physicians, social workers, pharmacists, and EMS evaluators. The conditions that contribute to the high turnover create the following cycle:

- Large number of staff leave the department to do the same work for more pay, which
- Compromises the department's ability to meet minimum standards of client care, which
- Puts the department in a constant hiring and staff development mode, which
- Results in higher workloads, increased costs in recruitment and staff development, and increased stress for staff that remain, which
- To combat these situations, the department is forced to pay new hires more than current employees, which
- Causes more morale issues and leads to more turnover.

Agency Request	0.00	236,500	0	0	236,500
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Add Beds at State Hospital North

The department is requesting funding to open five additional beds at the facility. The state has a severe shortage of hospital beds for court committed patients with severe and persistent mental illness. Typically, there are 20 to 30 patients who are court committed on a waiting list to be transferred to state facilities. The state pays for private psychiatric hospitalization for these patients until a bed is ready. All requested funding is on a 9 month basis and the department will be requesting the balance of funding in the FY 2008 budget request. The department is requesting 20.00 FTP and personnel cost funding of \$785,400, operating expenditures of \$121,500, one-time capital outlay of \$104,000, and trustee/benefit payments for medical care of \$6,200. The department has reduced funding for Community Hospitalization by \$325,500 to recognize the savings that would accrue to that program if this decision unit were funded.

Agency Request	20.00	1,017,100	0	0	1,017,100
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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State Hospital North

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
4. Endowment Fund Shift					
Reflects a shift from the State Hospital North Endowment Fund to the General Fund due to a 10.6% reduction in the FY 2007 payout to the charitable institutions.					
Agency Request	0.00	74,700	(74,700)	0	0
Governor's Recommendation	0.00	74,700	(74,700)	0	0
FY 2007 Total					
Agency Request	109.39	6,127,900	1,501,700	0	7,629,600
Governor's Recommendation	89.39	4,620,200	1,645,500	0	6,265,700
Agency Request					
Change from Original App	20.00	903,600	472,200	0	1,375,800
% Change from Original App	22.4%	17.3%	45.9%		22.0%
Governor's Recommendation					
Change from Original App	0.00	(604,100)	616,000	0	11,900
% Change from Original App	0.0%	(11.6%)	59.8%		0.2%

State Hospital South

Analyst: Holland-Smith

Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2006 Original Appropriation	259.22	6,722,900	16,887,000	259.22	6,722,900	16,887,000
HB 395	0.00	130,300	130,300	0.00	130,300	130,300
7. Receipts Authority	0.00	0	980,000	0.00	0	980,000
Omnibus CEC Supplemental	0.00	0	0	0.00	142,200	142,200
FY 2006 Total Appropriation	259.22	6,853,200	17,997,300	259.22	6,995,400	18,139,500
Funds to Match Reappropriations	0.00	0	41,300	0.00	0	41,300
Non-Cognizable Funds and Transfers	0.00	0	48,900	0.00	0	48,900
Reappropriations Transfer between Pgrms	0.00	583,300	583,300	0.00	0	583,300
FY 2006 Estimated Expenditures	259.22	7,436,500	18,670,800	259.22	6,995,400	18,813,000
Transfer Between Programs	0.00	0	0	0.00	0	0
Removal of One-Time Expenditures	0.00	(788,600)	(1,314,800)	0.00	(205,300)	(1,314,800)
Reverse Endowment Shift	0.00	4,064,400	0	0.00	4,064,400	0
FY 2007 Base	259.22	10,712,300	17,356,000	259.22	10,854,500	17,498,200
Benefit Costs	0.00	205,300	205,300	0.00	64,800	64,800
Insurance Premium Rebate	0.00	0	0	0.00	(383,600)	(383,600)
Medical Inflation	0.00	53,000	103,600	0.00	53,000	103,600
Replacement Vehicles	0.00	11,100	20,200	0.00	0	10,200
Computer Replacement	0.00	18,500	18,500	0.00	0	18,500
CEC Permanent Positions	0.00	126,000	126,000	0.00	215,900	215,900
CEC Group Positions	0.00	6,100	6,100	0.00	11,300	11,300
Alteration & Repair Projects Under \$30k	0.00	153,600	153,600	0.00	0	153,600
Federal Match Rate Change	0.00	(1,000)	0	0.00	(1,000)	0
Utility Inflation	0.00	61,800	82,400	0.00	61,800	82,400
FY 2007 Program Maintenance	259.22	11,346,700	18,071,700	259.22	10,876,700	17,774,900
1. Market Pay Rate Adjustment	0.00	344,200	344,200	0.00	0	0
3. Pharmacist Recruitment/Retention	0.50	46,300	69,300	0.00	0	0
4. Endowment Fund Shift	0.00	175,500	0	0.00	175,500	0
FY 2007 Total	259.72	11,912,700	18,485,200	259.22	11,052,200	17,774,900
Change from Original Appropriation	0.50	5,189,800	1,598,200	0.00	4,329,300	887,900
% Change from Original Appropriation		77.2%	9.5%		64.4%	5.3%

State Hospital South

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2006 Original Appropriation	259.22	6,722,900	6,203,600	3,960,500	16,887,000

HB 395

Reflects a one-time 1% Change in Employee Compensation (CEC) increase.

Agency Request	0.00	130,300	0	0	130,300
Governor's Recommendation	0.00	130,300	0	0	130,300

7. Receipts Authority

The department is requesting spending authority from Medicaid receipts in personnel costs. Up until FY 2006, the department was authorized in their appropriations bill to spend any receipts they received in excess of the appropriated amount. State Hospital South added \$881,600 in spending authority in FY 2005. At that time the department did not anticipate that the budgeting changes made during the 2005 legislative session would impact their ability to increase their spending authority without legislative approval.

Agency Request	0.00	0	980,000	0	980,000
Governor's Recommendation	0.00	0	980,000	0	980,000

Omnibus CEC Supplemental

Agency Request	0.00	0	0	0	0
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The Governor's FY 2007 recommendation is a 3% ongoing increase in employee compensation (CEC), based on merit, to commence in FY 2006 with the January 29 pay period. This will allow agencies to fund employee compensation increases for ten pay periods prior to the end of the current fiscal year. Funding for the remaining 16 pay periods is provided in the FY 2007 CEC.

Governor's Recommendation	0.00	142,200	0	0	142,200
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FY 2006 Total Appropriation

Agency Request	259.22	6,853,200	7,183,600	3,960,500	17,997,300
Governor's Recommendation	259.22	6,995,400	7,183,600	3,960,500	18,139,500

Funds to Match Reappropriations

Associated increases in spending authority due to the availability of reappropriation of General Funds. Spending authority was established in personnel costs.

Agency Request	0.00	0	0	41,300	41,300
Governor's Recommendation	0.00	0	0	41,300	41,300

Non-Cognizable Funds and Transfers

The department reports it has additional funds for personnel costs is requesting approval by the Division of Financial Management through the non-cognizable spending authorization process.

Agency Request	0.00	0	0	48,900	48,900
Governor's Recommendation	0.00	0	0	48,900	48,900

Reappropriations Transfer between Prgms

This decision unit transfers \$176,000 into personnel costs, \$387,300 into operating expenditures, and \$20,000 into capital outlay from other programs. The department is reallocating the one-time funds they have the authority to spend under reappropriations amongst all of their programs.

Agency Request	0.00	583,300	0	0	583,300
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The Governor's recommendation reflects the General Fund portion of the reappropriation from the Cooperative Welfare Fund as dedicated funds.

Governor's Recommendation	0.00	0	583,300	0	583,300
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FY 2006 Estimated Expenditures

Agency Request	259.22	7,436,500	7,183,600	4,050,700	18,670,800
Governor's Recommendation	259.22	6,995,400	7,766,900	4,050,700	18,813,000

State Hospital South

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Transfer Between Programs					
Transfers in \$300,000 of General Funds in personnel costs from Community DD Services, and at the same time transfers out \$300,000 from the General Fund operating expenditures for a net impact of zero.					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0
Removal of One-Time Expenditures					
Removes funding provided for HB395, the 27th pay period, reappropriations, and other one-time items.					
Agency Request	0.00	(788,600)	(436,000)	(90,200)	(1,314,800)
Governor's Recommendation	0.00	(205,300)	(1,019,300)	(90,200)	(1,314,800)
Reverse Endowment Shift					
Reflects a shift from the General Fund to the Mental Hospital Endowment Income Fund as part of the endowment fund fix for fiscal year 2007.					
Agency Request	0.00	4,064,400	(4,064,400)	0	0
Governor's Recommendation	0.00	4,064,400	(4,064,400)	0	0
FY 2007 Base					
Agency Request	259.22	10,712,300	2,683,200	3,960,500	17,356,000
Governor's Recommendation	259.22	10,854,500	2,683,200	3,960,500	17,498,200
Benefit Costs					
Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 6.1% or \$436 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees and by 5.7% from 10.73% to 11.34% of salary for police and firefighters. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates.					
Agency Request	0.00	205,300	0	0	205,300
Removes the PERSI rate increase and changes benefit costs to reflect a 3.5% or \$250 per FTP increase in health insurance costs.					
Governor's Recommendation	0.00	64,800	0	0	64,800
Insurance Premium Rebate					
Agency Request	0.00	0	0	0	0
The change in health insurance providers, from Blue Shield to Blue Cross, has created a one-time opportunity to use unexpended reserves from the previous contract. This decision unit provides for a health insurance premium reduction equal to two month's premiums for both the employer and employee. Finally, a life insurance holiday is included equal to seven month's premium for the employer's share only.					
Governor's Recommendation	0.00	(383,600)	0	0	(383,600)
Medical Inflation					
Includes a medical inflationary increase of 3.6% in operating expenditures and trustee/benefit payments.					
Agency Request	0.00	53,000	4,700	45,900	103,600
Governor's Recommendation	0.00	53,000	4,700	45,900	103,600
Replacement Vehicles					
Requests funding for one cargo van.					
Agency Request	0.00	11,100	0	9,100	20,200
The Governor recommends using Economic Recovery Reserve Funds.					
Governor's Recommendation	0.00	0	5,600	4,600	10,200

State Hospital South

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Computer Replacement					
Replace 33 personal computers on a three-year cycle @ \$560 each.					
Agency Request	0.00	18,500	0	0	18,500
<i>The Governor recommends using Economic Recovery Reserve Funds.</i>					
Governor's Recommendation	0.00	0	18,500	0	18,500
CEC Permanent Positions					
Calculated cost of a 1% salary increase for permanent positions.					
Agency Request	0.00	126,000	0	0	126,000
<i>Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.</i>					
Governor's Recommendation	0.00	215,900	0	0	215,900
CEC Group Positions					
Calculated cost of a 1% salary increase for group positions.					
Agency Request	0.00	6,100	0	0	6,100
<i>Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.</i>					
Governor's Recommendation	0.00	11,300	0	0	11,300
Alteration & Repair Projects Under \$30k					
The department is requesting funding for alteration and repair projects that cost less than \$30,000 each. The projects are: sound control at nursing station, seclusion rooms and dayrooms - \$23,000, install secondary containment system for oil fuel lines to boiler in utility room - \$5,000, perform study to increase fire water flow to Administration Building - \$2,500, replace emergency hatch in west elevator shaft in C building - \$7,600, relocate 500-gallon fuel tank for emergency generator to provide 72 hour run time - \$7,500, install shut off valves to PTF and C buildings - \$13,500, install weather control gaskets to windows in patient bedrooms - \$10,000, install blow-down tanks, pits and floor drains for boilers in utility and Administration buildings. - \$14,600, install eyewash fountains at nursing stations and custodial closets in PTF and C building - \$20,600, upgrade door locking system A-wing PTF building - \$13,500, construct activity shelter for nursing facility in C building - \$17,800, and remove trees and repair Grove City ditch - \$18,000.					
Agency Request	0.00	153,600	0	0	153,600
<i>The Governor recommends using Economic Recovery Reserve Funds.</i>					
Governor's Recommendation	0.00	0	153,600	0	153,600
Federal Match Rate Change					
Provides for an increase in the Federal Medical Assistance Program match rate from 70.088% to 70.105%.					
Agency Request	0.00	(1,000)	0	1,000	0
Governor's Recommendation	0.00	(1,000)	0	1,000	0
Utility Inflation					
The department is estimating it will need additional funds for utility costs.					
Agency Request	0.00	61,800	0	20,600	82,400
Governor's Recommendation	0.00	61,800	0	20,600	82,400
FY 2007 Program Maintenance					
Agency Request	259.22	11,346,700	2,687,900	4,037,100	18,071,700
Governor's Recommendation	259.22	10,876,700	2,865,600	4,032,600	17,774,900

State Hospital South

Analyst: Holland-Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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1. Market Pay Rate Adjustment

The department is requesting funding to address pay inequity issues that are leading to high turnover rates in key service delivery positions, specifically registered nurses, physicians, social workers, pharmacists, and EMS evaluators. The conditions that contribute to the high turnover create the following cycle:

- Large number of staff leave the department to do the same work for more pay, which
- Compromises the department's ability to meet minimum standards of client care, which
- Puts the department in a constant hiring and staff development mode, which
- Results in higher workloads, increased costs in recruitment and staff development, and increased stress for staff that remain, which
- To combat these situations, the department is forced to pay new hires more than current employees, which
- Causes more morale issues and leads to more turnover.

Agency Request	0.00	344,200	0	0	344,200
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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3. Pharmacist Recruitment/Retention

The pharmacy unit of the hospital is responsible for dispensing medications, but more importantly, provides clinical review of patient medications and patient education. Currently, staff cannot meet their clinical responsibilities, especially if a co-worker is on vacation or out sick. This reduction in clinical services endangers the patients, their outcomes, and hospital accreditation. The department requests one part-time pharmacist to provide clinical support. This pharmacist will provide coverage when others are absent and balance out the clinical responsibilities to meet the goals of the hospital. The department's request is for .50 FTP and \$60,000 in personnel costs, \$4,100 in operating expenditures, and \$5,200 for office and computer equipment.

Agency Request	0.50	46,300	10,800	12,200	69,300
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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4. Endowment Fund Shift

Reflects a shift from the Mental Hospital Endowment Income Fund to the General Fund due to a 14.3% reduction in the FY 2007 payout to the Mental Hospital Endowment Income Fund.

Agency Request	0.00	175,500	(175,500)	0	0
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Governor's Recommendation	0.00	175,500	(175,500)	0	0
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FY 2007 Total					
Agency Request	259.72	11,912,700	2,523,200	4,049,300	18,485,200
Governor's Recommendation	259.22	11,052,200	2,690,100	4,032,600	17,774,900

Agency Request

Change from Original App	0.50	5,189,800	(3,680,400)	88,800	1,598,200
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% Change from Original App	0.2%	77.2%	(59.3%)	2.2%	9.5%
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Governor's Recommendation

Change from Original App	0.00	4,329,300	(3,513,500)	72,100	887,900
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% Change from Original App	0.0%	64.4%	(56.6%)	1.8%	5.3%
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